

**NATIONAL RECOVERY ADMINISTRATION**

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**AMENDMENT TO  
CODE OF FAIR COMPETITION**

**FOR THE**

**UNDERWEAR AND  
ALLIED PRODUCTS MANUFACTURING  
INDUSTRY**

**AS APPROVED ON MAY 10, 1934**



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AMENDMENT TO CODE OF FAIR COMPETITION

FOR THE

UNDERWEAR AND ALLIED PRODUCTS  
MANUFACTURING INDUSTRY

As Approved on May 10, 1934

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ORDER

MODIFICATION OF CODE OF FAIR COMPETITION FOR THE UNDERWEAR AND  
ALLIED PRODUCTS MANUFACTURING INDUSTRY

An application having been duly made pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for approval of a modification of a Code of Fair Competition for the Underwear and Allied Products Manufacturing Industry, and hearings having been duly held thereon and the annexed report on said modification, containing findings with respect thereto; having been made and directed to the President:

NOW, THEREFORE, on behalf of the President of the United States, I, Hugh S. Johnson, Administrator for Industrial Recovery, pursuant to authority vested in me by Executive Orders of the President, including Executive Order No. 6543-A, dated December 30, 1933, and otherwise; do hereby incorporate, by reference, said annexed report and do find that said modification and the Code as constituted after being modified comply in all respects with the pertinent provisions and will promote the policy and purposes of said Title of said Act, and do hereby order that said modification be and it is hereby approved, and that the previous approval of said Code is hereby modified to include an approval of said Code in its entirety as modified; this order to become effective ten (10) days after the date hereof unless cause to the contrary shall before that time be shown to me and I by my further order otherwise determine.

HUGH S. JOHNSON,  
*Administrator for Industrial Recovery.*

Approval recommended:

H. O. KING,  
*Division Administrator.*

WASHINGTON, D.C.,  
*May 10, 1934.*

## REPORT TO THE PRESIDENT

The PRESIDENT,  
*The White House.*

SIR: This is a report on the Hearing covering the Amendments to the Code of Fair Competition for the Underwear and Allied Products Manufacturing Industry, held in Room 128 Willard Hotel, Washington, D.C., March 22, 1934. The Amendments, which are attached, were presented by duly qualified and authorized representatives of the Industry, complying with statutory requirements and being the same Agency that originally submitted the Code.

In accordance with customary procedure every person who had filed a request for appearance was freely heard in public, and all statutory and regulatory requirements were complied with.

### PROVISIONS OF THE AMENDMENTS

There are six amendments as follows:

1. An Amendment changing the name of the Administrative Agency from "Industry Committee" to "Code Authority."

2. An amendment changing the name of the Executive Officer of the Underwear Institute from "Secretary" to "Managing Director."

3. An amendment whereby various groups in the Industry will be given the privilege of recommending modification of the machine-hours limitation covering sewing machines as respects their own group.

4. An amendment whereby various groups in the Industry will be given the privilege of recommending modification of the machine-hours limitation covering knitting machines as respects their own group.

5. An amendment changing the membership of the Code Authority from six members representing the Industry to nine members representing the Industry, and specifying the various groups of the Industry which the nine members will represent.

6. An amendment whereby certain administrative clauses which are being placed in codes now being approved are added to the Code.

### FINDINGS

The Deputy Administrator in his final report to me on said amendments to said Code having found as herein set forth and on the basis of all the proceedings in this matter:

I find that:

(a) The amendments to said Code and the Code as amended are well designed to promote the policies and purposes of Title I of the National Industrial Recovery Act including the removal of obstruc-

tions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof, and will provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among trade groups, by inducing and maintaining united action of labor and management under adequate governmental sanction and supervision, by eliminating unfair competitive practices, by promoting the fullest possible utilization of the present productive capacity of industries, by avoiding undue restriction of production (except as may be temporarily required), by increasing the consumption of industrial and agricultural products through increasing purchasing power, by reducing and relieving unemployment, by improving the standards of labor, and by otherwise rehabilitating industry.

(b) The Code as amended complies in all respects with the pertinent provisions of said Title of said Act, including without limitation Subsection (a) of Section 3, Subsection (a) of Section 7, and Subsection (b) of Section 10 thereof.

(c) The Underwear Institute was and is an industrial association truly representative of the aforesaid Industry and that said association imposed and imposes no inequitable restrictions on admission to membership therein and has applied for or consents to these amendments.

(d) The amendments and the Code as amended are not designed to and will not permit monopolies or monopolistic practices.

(e) The amendments and the Code as amended are not designed to and will not eliminate or oppress small enterprises and will not operate to discriminate against them.

(f) Those engaged in other steps of the economic process have not been deprived of the right to be heard prior to approval of said amendments.

For these reasons these amendments have been approved.

Respectfully.

HUGH S. JOHNSON,  
*Administrator.*

MAY 10, 1934.

# AMENDMENT TO CODE OF FAIR COMPETITION FOR THE UNDERWEAR AND ALLIED PRODUCTS MANUFACTURING INDUSTRY

## PART I—DEFINITIONS

*Section 11* is amended to read as follows:

"11. The term 'Code Authority' as used herein shall mean the administrative agency designated in Part IV to cooperate with the Administrator in the administration of this Code."

*Section 13* is amended to read as follows:

"13. The term 'Managing Director' as used herein shall mean the Managing Director of the Institute."

## PART II—LABOR

*Section 3, Subsection (d)* is amended as follows:

Eliminate the words "Industry Committee" and substitute therefor the words "Code Authority."

*Section 4, Subsection (b)* is amended as follows:

Eliminate the words "Industry Committee" in the last sentence and substitute therefor the words "Code Authority."

## PART III—MACHINE HOURS

*Sections 1 and 2* are amended to read as follows:

"1. (a) No sewing machine shall be operated for more than one (1) shift of forty (40) hours per week, provided that each of the following major groups of the Industry, namely,

"Group 10—engaged in making garments from knitted cotton and/or wool fabric or from mixtures thereof where the predominating fibre in such mixture is cotton and/or wool,

"Group 11—engaged in making garments from woven cotton fabric,

"Group 12—engaged in making garments from knitted silk and rayon fabric,

"may recommend to the Code Authority modification of the machine-hours limitation for its particular group, which recommendation shall designate an approximate date when such new machine-hours regulation shall go into effect for the entire group. Such recommendation must receive the affirmative vote of a majority of the machines in any such group and must be supported by the following information:

"(A) A report showing the number of manufacturers in such group, together with the number of machines operated by each manufacturer so as to give a total number of manufacturing concerns and a total of operating machines in such group.

“(B) Supporting statistical data showing the need for the recommended modification.

“(C) A certified report of the vote of the group showing the number of concerns as well as the number of machines voted in favor of the recommendation.

“(b) It shall be the duty of the Code Authority to transmit the recommendation of the group, together with its own recommendations, not later than thirty (30) days after receipt thereof from said group, to the National Recovery Administration for approval or disapproval.

“2. (a) No knitting machine shall be operated for more than two (2) shifts of forty (40) hours each per week, provided that each of the following major groups of the Industry, namely,

“Group 1—manufacturers of knitted cotton and/or wool fabric or of mixtures thereof where the predominating fibre in such mixtures is cotton and/or wool.

“Group 2—manufacturers of circular knit silk and rayon fabric,

“Group 3—manufacturers of warp knit silk, rayon and cotton fabric,

“Group 4—manufacturers of miscellaneous knit fabrics, “may recommend to the Code Authority modification of the machine-hours limitation for its particular group, which recommendation shall designate an approximate date when such new machine-hours regulation shall go into effect for the entire group. Such recommendation must receive the affirmative vote of a majority of the machines in any such group and must be supported by the following information:

“(A) A report showing the number of manufacturers in such group, together with the number of machines operated by each manufacturer so as to give a total number of manufacturing concerns and a total of operating machines in such group.

“(B) Supporting statistical data showing the need for the recommended modification.

“(C) A certified report on the vote of the group showing the number of concerns as well as the number of machines voted in favor of the recommendation.

“(b) It shall be the duty of the Code Authority to transmit the recommendation of the group, together with its own recommendations, not later than thirty (30) days after receipt thereof from said group, to the National Recovery Administration for approval or disapproval.”

#### PART IV—ADMINISTRATION

*Section 1, first paragraph*, is amended to read as follows:

“1. (a) To effectuate further the policies of the Act, a Code Authority is hereby set up to cooperate with the Administrator as a planning and fair practice agency for the Underwear and Allied Products Manufacturing Industry. The Code Authority shall consist of nine (9) members representing the Industry, eight (8) to be duly elected by the Institute and one (1) to be elected by the members of the Industry who are not members of the Institute, provided that the method of election shall be subject to the approval of the

Administrator. The eight (8) members of the Code Authority to be elected by the Institute shall be elected from the following groups:

“Two members from Division I, which includes Fabric Manufacturers in Groups 1, 2, 3 and 4, as named in Part III, Section 2, subsection (a) of this Code; provided that one of said members shall be elected from Group 2.

“Three members from Division II, which includes concerns engaged in making garments from various fabrics, provided that there shall be one member from Group 10, one from Group 11, and one from Group 12, as named in Part III, Section 1, Subsection (a) of this Code.

“One member shall be the Managing Director of the Institute.

“One member shall be the President of the Institute.

“One member shall be the immediate past president of the Institute.

“(b) In addition to membership as above provided, there may be not more than three (3) members, to serve without expense to the Industry and without vote, to be appointed by the Administrator, to serve for such term as he shall specify.

“(c) The Code Authority may from time to time present to the Administrator recommendations based on conditions in the Industry as they may develop from time to time which will tend to effectuate the operation of the provisions of this Code and the policy of the National Industrial Recovery Act. Such recommendations, when approved by the Administrator, shall have the same force and effect as any other provisions of this Code.

“(d) Each trade or industrial association directly or indirectly participating in the selection or activities of the Code Authority shall (1) impose no inequitable restrictions on membership, and (2) submit to the Administrator true copies of its articles of association, by-laws, regulations, and any amendments when made thereto, together with such other information as to membership, organization, and activities as the Administrator may deem necessary to effectuate the purposes of the Act.

“(e) In order that the Code Authority shall at all times be truly representative of the Industry and in other respects comply with the provisions of the Act, the Administrator may prescribe such hearings as he may deem proper; and thereafter if he shall find that the Code Authority is not truly representative or does not in other respects comply with the provisions of the Act, may require an appropriate modification in the method of selection of the Code Authority.

“(f) Nothing contained in this Code shall constitute the members of the Code Authority partners for any purpose. Nor shall any member of the Code Authority be liable in any manner to anyone for any act of any other member, officer, agent or employee of the Code Authority. Nor shall any member of the Code Authority, exercising reasonable diligence in the conduct of his duties hereunder, be liable to anyone for any action or omission to act under this Code, except for his own willful misfeasance or non-feasance.

“(g) If the Administrator shall at any time determine that any action of the Code Authority or any agency thereof may be unfair or unjust or contrary to the public interest, the Administrator may require that such action be suspended to afford an opportunity for



investigation of the merits of such action and further consideration by such Code Authority or agency pending final action which shall not be effective unless the Administrator approves or unless he shall fail to disapprove after thirty (30) days notice to him of intention to proceed with such action in its original or modified form.

“(h) The reasonable expenses of administration of this Code shall be borne by all the members of the Industry and non payment of an equitable share of the costs of code administration shall be considered a violation of this code. The Code Authority, upon approval by the Administrator of an itemized budget of the estimated expenses and of an equitable basis upon which the funds for such expenses shall be contributed, shall have the power to secure payment of such expenses from the members of the Industry, and to that end, if necessary, to institute legal proceedings therefor in its own name.”

*Section 1, Subsection (a)* is amended to read as follows:

“(i) The Code Authority shall cooperate with the Administrator in making investigations as to the functioning and observance of any provisions of this Code, at its own instance or on complaint by any person affected, and shall report the results of said investigations to the Administrator.”

*Section 1, Subsection (b)* is amended to read as follows:

“(j) The Code Authority may make specific recommendations to the Administrator for changes in or exemptions from the provisions of this Code as to the working hours of machinery which will tend to preserve a balance of productive activity with consumption requirements, in order to properly serve the interest of the industry and of the public.”

*Section 1, Subsection (c)* is amended to read as follows:

“(k) The Code Authority may also investigate and inform the Administrator on behalf of the Industry as to the importation of competitive articles into the United States in substantial quantities or in increasing ratio to domestic production on such terms or under such conditions as to render ineffective or seriously to endanger the maintenance of this Code and may act as an agency for making complaint to the President on behalf of the Industry, under the provisions of the National Industrial Recovery Act, with respect thereto.”

*Amend the following Sections* by eliminating the words “Industry Committee” and substituting therefor the words “Code Authority”:

Section 2, First paragraph.

Section 2, Subsection (c), second paragraph.

Section 3.

Section 7.

*Section 4* is amended as follows:

Eliminate the word “Secretary” which appears at two places in the first sentence and two places in the second sentence and substitute therefor the words “Managing Director” in each of the four places mentioned.

## PART V—GENERAL PROVISIONS

*Section 2* is amended as follows:

Eliminate the word “Secretary” in the last sentence and substitute therefor the words “Managing Director.”

*Section 3* is amended as follows:

Eliminate the words "Industry Committee" and substitute therefor the words "Code Authority."

#### PART VI—UNFAIR TRADE PRACTICES

*Section 1* is amended as follows:

Eliminate the words "Industry Committee" in the last sentence and substitute therefor the words "Code Authority."

Approved Code No. 23—Amendment No. 2.

Registry No. 275-1-03













UNIVERSITY OF FLORIDA



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